



# CITY OF HOUSTON

**Annise D. Parker**

Mayor

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March 18, 2014

**SUBJECT:** Letter of Clarification No. 2 Sale of Scrap Metal Material Services for Various Departments

**REFERENCE:** Bid Invitation No. S55-L24947

**TO:** All Prospective Bidders:

This Letter of Clarification is issued for the following reasons:

• **To revise the above referenced solicitation as follows:**

1. The following question was received:

**Question:**

On the bid schedule document, the stainless steel prices are not correct at all. It lists the market price at \$228.48 a lb. as oppose a value in cents. You will see a drastic difference by looking at the last bid sheet where the stainless steel per lb. per AMM price was .68 a lb. and this new bid has it at \$228.48 a lb. This is inaccurate.

**Response:**

The price listed on the bid schedule document for stainless steel is incorrect and it was caused by a typo. The correct price is \$0.68 lb. for the Houston area. Proper modifications have been made to all the bid schedule documents of the Revenue Price Sheet Excel version and on the Bid document.

**Question:**

We thought the plan was to use the new AMM Houston market index - which will be reflected as of next week (after March 15th)? In the bid letter, the index referenced is from several different cities where the pricing varies in each city as oppose to our local city which is a typical reference point.

**Response:**

With the exception of Tin Bailing Scrap/No.2 Bundles where the AMM does not have a price index for the City of Houston and it was required to compute an average price from indexes of 6 different locations in the country to facilitate bidding on the item, the Revenue Price Sheet has listed under the fields of Source of Price and Unit Price the AMM Houston market indexes as of 03/05/14.

LETTER OF CLARIFICATION No. 2  
REPAIR, INSPECTION AND PREVENTIVE MAINTENANCE SERVICES OF LAB EQUIPMENT FOR  
VARIOUS DEPARTMENTS  
SOLICITATION NO. S55-L24947

2. Page 17, Provision 3.1 has been changed to read as follows:

Contractor shall submit at the end of each month, a report with progress and up-dates required by the City Scrap Metal Administrator. The report must be broken down by Department and must include certified weight tickets from the City sites that delivered or requested bin pick-up for that month. A copy of the American Metal Market Reference Price for the month must be included with the report. Contractor shall mail or hand deliver the check and report to the following address: **City of Houston, Property Disposal Management Office c/o City Scrap Metal Administrator, 2511 Broad Street, Houston, Texas 77087.**

When issued, Letter(s) of Clarification shall automatically become a part of the proposal documents and shall supersede any previous specification(s) and/or provision(s) in conflict with the Letter(s) of Clarification. All revisions, responses, and answers incorporated into the Letter(s) of Clarification are collaboratively from both the Strategic Purchasing Division and the applicable City Department(s). It is the responsibility of the proposers to ensure that it has obtained all such letter(s). By submitting a proposal on this project, proposers shall be deemed to have received all Letter(s) of Clarification and to have incorporated them into this proposal.

If you have any questions or if further clarification is needed regarding this Request for Proposal, please contact me.

*Joseph Badell*

Joseph Badell  
Senior Procurement Specialist  
Strategic Purchasing Division  
832-393-0209

**END OF LETTER OF CLARIFICATION 2**

**Year One****Category I < 30 day & = 10,000 lbs. or more: Containers held less than 30 days and holding 10,000 lbs. or more.**

Item No.	City Scrap Metal Classification/ American Metal Market, Classification	Est. Qty.	Unit	Source of Price	Unit Price	Market Price Total	% rate contractor will pay	Yearly Total
1	Copper, Scrap Clean & Insulated/No.2 Heavy Copper &Wire	15,750	lbs	American Metal Market Reference Price as of 03/05/14	\$2.75	\$43,312.50		
2	Aluminum Breakage, Clean & Unclean/Old Aluminum Sheet &Cast	750	lbs	American Metal Market Reference Price as of 03/05/14	\$0.45	\$337.50		
3	*Tin. Bailing Scrap/No. 2 bundles	100	Ton	American Metal Market Reference Price as of 03/05/14	\$285.60	\$28,560.00		
4	Stainless Steel Breakage/18-8 Bundles, Solids, Clips	336	lbs	American Metal Market Reference Price as of 03/05/14	\$0.68	\$228.48		
5	Ferrous Metal/No. 1 Heavy Melt	300	Ton	American Metal Market Reference Dealer Selling Price as of 03/05/14	\$325.00	\$97,500.00		

\*Average price from indexes of Arkansas, Tennessee, Chicago, Philadelphia, Pittsburgh, and Youngstown. Your yearly total will be computed as a percentage of a percentage for this item.

**Year One Total Category I****Category II > 30 day & or < 10,000 lbs. or more: Containers held less than 30 days and holding 10,000 lbs. or more.**

Item No.	City Scrap Metal Classification/ American Metal Market, Classification	Est. Qty.	Unit	Source of Price	Unit Price	Market Price Total	% rate contractor will pay	Yearly Total
6	Copper, Scrap Clean & Insulated/No.2 Heavy Copper &Wire	200	lbs	American Metal Market Reference Price as of 03/05/14	\$2.75	\$550.00		
7	Aluminum Breakage, Clean & Unclean/Old Aluminum Sheet &Cast	542	lbs	American Metal Market Reference Price as of 03/05/14	\$0.45	\$243.90		
8	*Tin. Bailing Scrap/No. 2 bundles	100	Ton	American Metal Market Reference Price as of 03/05/14	\$285.60	\$28,560.00		
9	Stainless Steel Breakage/18-8 Bundles, Solids, Clips	336	lbs	American Metal Market Reference Price as of 03/05/14	\$0.68	\$228.48		
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\*Average price from indexes of Arkansas, Tennessee, Chicago, Philadelphia, Pittsburgh, and Youngstown. Your yearly total will be computed as a percentage of a percentage for this item.

**Year One Total Category II**

**Category III Delivered Scrap Metal Material Delivered by the City of Houston to Buyer**

Item No.	City Scrap Metal Classification/ American Metal Market, Classification	Est. Qty.	Unit	Source of Price	Unit Price	Market Price Total	% rate contractor will pay	Yearly Total
11	Ferrous Metal/No. 1 Heavy Melt	200	Ton	American Metal Market Reference Dealer Selling Price as of 03/05/14	\$325.00	\$65,000.00		

Year One Total Category III \_\_\_\_\_

Year One Grand Total Category I, II and III \_\_\_\_\_

**Year Two****Category I < 30 day & = 10,000 lbs. or more: Containers held less than 30 days and holding 10,000 lbs. or more.**

Item No.	City Scrap Metal Classification/ American Metal Market, Classification	Est. Qty.	Unit	Source of Price	Unit Price	Market Price Total	% rate contractor will pay	Yearly Total
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Year Two Total Category I \_\_\_\_\_

**Category II > 30 day & or < 10,000 lbs. or more: Containers held less than 30 days and holding 10,000 lbs. or more.**

Item No.	City Scrap Metal Classification/ American Metal Market, Classification	Est. Qty.	Unit	Source of Price	Unit Price	Market Price Total	% rate contractor will pay	Yearly Total
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\*Average price from indexes of Arkansas, Tennessee, Chicago, Philadelphia, Pittsburgh, and Youngstown. Your yearly total will be computed as a percentage of a percentage for this item.

**Year Two Total Category II**

**Category III Delivered Scrap Metal Material Delivered by the City of Houston to Buyer**

Item No.	City Scrap Metal Classification/ American Metal Market, Classification	Est. Qty.	Unit	Source of Price	Unit Price	Market Price Total	% rate contractor will pay	Yearly Total
11	Ferrous Metal/No. 1 Heavy Melt	200	Ton	American Metal Market Reference Dealer Selling Price as of 03/05/14	\$325.00	\$65,000.00		

**Year Two Total Category III**

**Year Two Grand Total Category I, II and III**

**Year Three****Category I < 30 day & = 10,000 lbs. or more: Containers held less than 30 days and holding 10,000 lbs. or more.**

Item No.	City Scrap Metal Classification/ American Metal Market, Classification	Est. Qty.	Unit	Source of Price	Unit Price	Market Price Total	% rate contractor will pay	Yearly Total
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\*Average price from indexes of Arkansas, Tennessee, Chicago, Philadelphia, Pittsburgh, and Youngstown. Your yearly total will be computed as a percentage of a percentage for this item.

**Year Three Total Category I****Category II > 30 day & or < 10,000 lbs. or more: Containers held less than 30 days and holding 10,000 lbs. or more.**

Item No.	City Scrap Metal Classification/ American Metal Market, Classification	Est. Qty.	Unit	Source of Price	Unit Price	Market Price Total	% rate contractor will pay	Yearly Total
6	Copper, Scrap Clean & Insulated/No.2 Heavy Copper &Wire	200	lbs	American Metal Market Reference Price as of 03/05/14	\$2.75	\$550.00		
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\*Average price from indexes of Arkansas, Tennessee, Chicago, Philadelphia, Pittsburgh, and Youngstown. Your yearly total will be computed as a percentage of a percentage for this item.

**Year Three Total Category II****Category III Delivered Scrap Metal Material Delivered by the City of Houston to Buyer**

Item No.	City Scrap Metal Classification/ American Metal Market, Classification	Est. Qty.	Unit	Source of Price	Unit Price	Market Price Total	% rate contractor will pay	Yearly Total
11	Ferrous Metal/No. 1 Heavy Melt	200	Ton	American Metal Market Reference Dealer Selling Price as of 03/05/14	\$325.00	\$65,000.00		

**Year Three Total Category III****Year Three Grand Total Category I, II and III****Year Four (Option 1)****Category I < 30 day & = 10,000 lbs. or more: Containers held less than 30 days and holding 10,000 lbs. or more.**

Item No.	City Scrap Metal Classification/ American Metal Market, Classification	Est. Qty.	Unit	Source of Price	Unit Price	Market Price Total	% rate contractor will pay	Yearly Total
1	Copper, Scrap Clean & Insulated/No.2 Heavy Copper & Wire	15,750	lbs	American Metal Market Reference Price as of 03/05/14	\$2.75	\$43,312.50		
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**Year Four (Option 1) Total Category I**

**Category II > 30 day & or < 10,000 lbs. or more: Containers held less than 30 days and holding 10,000 lbs. or more.**

Item No.	City Scrap Metal Classification/ American Metal Market, Classification	Est. Qty.	Unit	Source of Price	Unit Price	Market Price Total	% rate contractor will pay	Yearly Total
6	Copper, Scrap Clean & Insulated/No.2 Heavy Copper &Wire	200	lbs	American Metal Market Reference Price as of 03/05/14	\$2.75	\$550.00		
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\*Average price from indexes of Arkansas, Tennessee, Chicago, Philadelphia, Pittsburgh, and Youngstown. Your yearly total will be computed as a percentage of a percentage for this item.

**Year Four (Option 1) Total Category II**

**Category III Delivered Scrap Metal Material Delivered by the City of Houston to Buyer**

Item No.	City Scrap Metal Classification/ American Metal Market, Classification	Est. Qty.	Unit	Source of Price	Unit Price	Market Price Total	% rate contractor will pay	Yearly Total
11	Ferrous Metal/No. 1 Heavy Melt	200	Ton	American Metal Market Reference Dealer Selling Price as of 03/05/14	\$325.00	\$65,000.00		

**Year Four (Option 1) Total Category III**

**Year Four Grand Total Category I, II and III**



**Year Five (Option 2)****Category I < 30 day & = 10,000 lbs. or more: Containers held less than 30 days and holding 10,000 lbs. or more.**

Item No.	City Scrap Metal Classification/ American Metal Market, Classification	Est. Qty.	Unit	Source of Price	Unit Price	Market Price Total	% rate contract or will pay	Yearly Total
1	Copper, Scrap Clean & Insulated/No.2 Heavy Copper & Wire	15,750	lbs	American Metal Market Reference Price as of 03/05/14	\$2.75	\$43,312.50		
2	Aluminum Breakage, Clean & Unclean/Old Aluminum Sheet & Cast	750	lbs	American Metal Market Reference Price as of 03/05/14	\$0.45	\$337.50		
3	*Tin. Bailing Scrap/No. 2 bundles	100	Ton	American Metal Market Reference Price as of 03/05/14	\$285.60	\$28,560.00		
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5	Ferrous Metal/No. 1 Heavy Melt	300	Ton	American Metal Market Reference Dealer Selling Price as of 03/05/14	\$325.00	\$97,500.00		

\*Average price from indexes of Arkansas, Tennessee, Chicago, Philadelphia, Pittsburgh, and Youngstown. Your yearly total will be computed as a percentage of a percentage for this item.

**Year Five ( Option 2 ) Total Category I****Category II > 30 day & or < 10,000 lbs. or more: Containers held less than 30 days and holding 10,000 lbs. or more.**

Item No.	City Scrap Metal Classification/ American Metal Market, Classification	Est. Qty.	Unit	Source of Price	Unit Price	Market Price Total	% rate contract or will pay	Yearly Total
6	Copper, Scrap Clean & Insulated/No.2 Heavy Copper & Wire	200	lbs	American Metal Market Reference Price as of 03/05/14	\$2.75	\$550.00		
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\*Average price from indexes of Arkansas, Tennessee, Chicago, Philadelphia, Pittsburgh, and Youngstown. Your yearly total will be computed as a percentage of a percentage for this item.

**Year Five ( Option 2 ) Total Category II**

**Category III Delivered Scrap Metal Material Delivered by the City of Houston to Buyer**

Item No.	City Scrap Metal Classification/ American Metal Market, Classification	Est. Qty.	Unit	Source of Price	Unit Price	Market Price Total	% rate contract or will pay	Yearly Total
11	Ferrous Metal/No. 1 Heavy Melt	200	Ton	American Metal Market Reference Dealer Selling Price as of 03/05/14	\$325.00	\$65,000.00		

**Year Five ( Option 2 ) Total Category III**

**Year Five Grand Total Category I, II and III**

\_\_\_\_\_  
\_\_\_\_\_

Year	Cat. I	Cat. II	Cat. III	Total
1				
2				
3				
4				
5				

**Total Bid**

## **2.0 Coordinate Performance:**

- 2.1 The Contractor shall coordinate all of its performance with the City Scrap Metal Administrator. The Contractor shall keep said person(s) currently advised of developments relating to the performance of this Contract, and the Contractor shall at all appropriate times, advise and consult with the City Scrap Metal Administrator or his or her designee.

## **3.0. Reports:**

- 3.1 Contractor shall submit at the end of each month, a report with progress and up-dates required by the City Scrap Metal Administrator. The report must be broken down by Department and must include certified weight tickets from the City sites that delivered or requested bin pick-up for that month. A copy of the American Metal Market Reference Price for the month must be included with the report. Contractor shall mail or hand deliver the check and report to the following address: **City of Houston, Property Disposal Management Office c/o City Scrap Metal Administrator, 2511 Broad Street, Houston, Texas 77087.**

## **4.0. Payment of Subcontractors:**

- 4.1 Contractor shall make timely payments to all persons and entities supplying labor, materials or equipment for the performance of this Contract. Contractor agrees to protect, defend and indemnify the City from any claims or liability arising out of Contractor's failure to make such payments.

## **5.0 Personnel of the Contractor:**

- 5.1 Contractor shall replace any personnel assigned to provide services under this Contract who are deemed unsuitable by the user Department Director or his or her designee.

## **6.0 Warranties:**

- 6.1 The Contractor's performance shall conform to the professional standards prevailing in Harris County, Texas, with respect to the scope, quality, due diligence and care of the services and products of the type to be provided by the Contractor under this Contract
- 6.2 Definitions; "Acceptance" as used in this clause, means the act of an authorized representative of the City by which the City assumes for itself, approval of specific services, as partial or complete performance of the contract,
- 6.3 "Correction" as used in this clause, means the elimination of a defect.
- 6.4 Notwithstanding inspection and acceptance by the City or any provision concerning the conclusiveness thereof, the Contractor warrants that all services performed under this contract will, at the time of acceptance, be free from defects in workmanship and conform to the requirements of this contract.
- 6.5 If the Contractor is required to correct or re-perform, it shall be at no cost to the City, and any services corrected or re-performed by the Contractor shall be subject to this clause to the same extent as work initially performed. If the Contractor fails or refuses to correct or re-perform, the City may, by contract or otherwise, correct or replace with similar services and charge to the Contractor the cost incurred by the City, or make an equitable adjustment in the contract price.
- 6.6 A minimum 12-month warranty on all parts and workmanship is required.